







INTELLIGENCE

ASSISTANT SECRETARY OF DEFENSE WASHINGTON, D. C. 20301

7 AUG 1975

Honorable William E. Colby Director of Central Intelligence

Washington, D.C. 20505

Dear Bill:

- Last March we discussed the advisability of utilizing a small, relatively inexpensive commercial Laserfax network to conduct an experiment on the value of real-time imagery exchange between analysts. I had considered a five terminal test as being useful and believed that terminals at Building 213, Site 72, CIA, NSA and DIA (NMIC) might provide a reasonable framework for the experiment. Initial cost estimates were about \$500,000.
- My staff believes the concept has been enlarged by the project office to develop a prototype Laserfax terminal that is TEMPEST qualified and then proceed with implementing the first 10 stations of a Laserfax network at a cost of \$2,000,000. I believe that in view of our uncertainty as to the value of Laserfax versus Video for imagery interaction, the current NPIC-DIA video imagery tests, and the alternate approaches proposed by various elements of the community, that it is prudent to restrain Laserfax expenditures to that required for an experiment, as we originally agreed. With some effectiveness information in hand we can then know how we should proceed.

Albert C. Hall

On file OSD release instructions apply.

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